

## SENATE BILL No. 525

### DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 4-33.

**Synopsis:** Casino license for French Lick and West Baden Springs. Provides that the riverboat license authorized for Patoka Lake may be issued for a riverboat operating in Orange County. Requires a referendum in the towns of French Lick and West Baden Springs. Distributes a part of the riverboat admissions tax collected by a riverboat licensed to operate in Orange County to each of the following: (1) Orange County. (2) French Lick. (3) West Baden Springs. (4) The Orange County convention and visitors bureau or promotion fund. (5) The division of mental health. (6) The horse racing commission. (7) The state fair commission. (8) The French Lick tourism commission. (9) The West Baden Springs tourism commission. (10) Historic Landmarks Foundation of Indiana, Inc. Distributes a part of the wagering tax collected by a riverboat licensed to operate in Orange County to the following: (1) Orange County. (2) French Lick. (3) West Baden Springs. (4) The French Lick tourism commission. (5) The West Baden Springs tourism commission. Establishes the historic hotel preservation and development district to own the license for the Orange County riverboat. Requires the district to distribute net gaming revenues in equal shares to trust funds for the historic hotels located in French Lick and West Baden Springs. Repeals statutes related to the operation of a riverboat on Patoka Lake.

**Effective:** July 1, 2002.

**Simpson, Meeks R**

January 14, 2002, read first time and referred to Committee on Rules and Legislative Procedure.



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Introduced

Second Regular Session 112th General Assembly (2002)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2001 General Assembly.

## SENATE BILL No. 525

A BILL FOR AN ACT to amend the Indiana Code concerning gaming.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 4-33-1-1 IS AMENDED TO READ AS FOLLOWS  
2 [EFFECTIVE JULY 1, 2002]: Sec. 1. This article applies only to the  
3 following:

- 4 (1) Counties contiguous to Lake Michigan.
- 5 (2) Counties contiguous to the Ohio River.
- 6 (3) ~~Counties contiguous to Patoka Lake:~~ **A county having a**  
7 **population of more than nineteen thousand three hundred**  
8 **(19,300) but less than twenty thousand (20,000).**

9 SECTION 2. IC 4-33-1-5 IS AMENDED TO READ AS FOLLOWS  
10 [EFFECTIVE JULY 1, 2002]: Sec. 5. All shipments of gambling  
11 devices, including slot machines, to licensed riverboats in ~~this state,~~  
12 **Indiana**, the registering, recording, and labeling of which have been  
13 completed by the manufacturer or dealer thereof in accordance with 15  
14 U.S.C. 1171 through 1178, are legal shipments of gambling devices  
15 into ~~the state of~~ Indiana.

16 SECTION 3. IC 4-33-2-11.5 IS ADDED TO THE INDIANA CODE  
17 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY

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1, 2002]: **Sec. 11.5. "Historic resort hotel" means a hotel built before 1930 with at least three hundred (300) sleeping rooms at the time of the hotel's original construction.**

SECTION 4. IC 4-33-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2. The commission shall adopt rules under IC 4-22-2 for the following purposes:

- (1) Administering this article.
- (2) Establishing the conditions under which riverboat gambling in Indiana may be conducted.
- (3) Providing for the prevention of practices detrimental to the public interest and providing for the best interests of riverboat gambling.
- ~~(4) With respect to riverboats that operate on Patoka Lake, ensuring:~~
  - ~~(A) the prevention of practices detrimental to the natural environment and scenic beauty of Patoka Lake; and~~
  - ~~(B) compliance by licensees and riverboat patrons with the requirements of IC 14-26-2-5 and IC 14-28-1.~~
- ~~(5)~~ (4) Establishing rules concerning inspection of riverboats and the review of the permits or licenses necessary to operate a riverboat.
- ~~(6)~~ (5) Imposing penalties for noncriminal violations of this article.

SECTION 5. IC 4-33-4-3, AS AMENDED BY P.L.14-2000, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 3. (a) The commission shall do the following:

- (1) Adopt rules that the commission determines necessary to protect or enhance the following:
  - (A) The credibility and integrity of gambling operations authorized by this article.
  - (B) The regulatory process provided in this article.
  - ~~(C) The natural environment and scenic beauty of Patoka Lake.~~
- (2) Conduct all hearings concerning civil violations of this article.
- (3) Provide for the establishment and collection of license fees and taxes imposed under this article.
- (4) Deposit the license fees and taxes in the state gaming fund established by IC 4-33-13.
- (5) Levy and collect penalties for noncriminal violations of this article.
- (6) Deposit the penalties in the state gaming fund established by IC 4-33-13.



(7) Be present through the commission's inspectors and agents during the time gambling operations are conducted on a riverboat to do the following:

(A) Certify the revenue received by a riverboat.

(B) Receive complaints from the public.

(C) Conduct other investigations into the conduct of the gambling games and the maintenance of the equipment that the commission considers necessary and proper.

~~(D) With respect to riverboats that operate on Patoka Lake, ensure compliance with the following:~~

~~(i) IC 14-26-2-6.~~

~~(ii) IC 14-26-2-7.~~

~~(iii) IC 14-28-1.~~

(8) Adopt emergency rules under IC 4-22-2-37.1 if the commission determines that:

(A) the need for a rule is so immediate and substantial that rulemaking procedures under IC 4-22-2-13 through IC 4-22-2-36 are inadequate to address the need; and

(B) an emergency rule is likely to address the need.

(b) The commission shall begin rulemaking procedures under IC 4-22-2-13 through IC 4-22-2-36 to adopt an emergency rule adopted under subsection (a)(8) not later than thirty (30) days after the adoption of the emergency rule under subsection (a)(8).

SECTION 6. IC 4-33-4-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 13. (a) **This section does not apply to a riverboat located in a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000).**

(b) After consulting with the United States Army Corps of Engineers, the commission may do the following:

(1) Determine the waterways that are navigable waterways for purposes of this article.

(2) Determine the navigable waterways that are suitable for the operation of riverboats under this article.

~~(b)~~ (c) In determining the navigable waterways on which riverboats may operate, the commission shall do the following:

(1) Obtain any required approvals from the United States Army Corps of Engineers for the operation of riverboats on those waterways.

(2) Consider the economic benefit that riverboat gambling provides to Indiana.

(3) Seek to ensure that all regions of Indiana share in the

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economic benefits of riverboat gambling.

~~(4) Considering IC 14-26-2-6, IC 14-26-2-7, and IC 14-28-1, conduct a feasibility study concerning:~~

~~(A) the environmental impact of the navigation and docking of riverboats upon Patoka Lake; and~~

~~(B) the impact of the navigation and docking of riverboats upon the scenic beauty of Patoka Lake.~~

SECTION 7. IC 4-33-4-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 15. The commission shall annually do the following:

(1) Review the patterns of wagering and wins and losses by persons on riverboat gambling operations under this article.

(2) Make recommendations to the governor and the general assembly concerning whether limits on wagering losses should be imposed.

~~(3) Examine the impact on the natural environment and scenic beauty of Patoka Lake made by the navigation and docking of riverboats.~~

SECTION 8. IC 4-33-6-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. (a) The commission may issue to a person a license to own one (1) riverboat subject to the numerical and geographical limitation of owner's licenses under this section and IC 4-33-4-17. However, not more than eleven (11) owner's licenses may be in effect at any time. Except as provided in subsection (b), those eleven (11) licenses are as follows:

(1) Two (2) licenses for a riverboat that operates from the largest city located in the counties described under IC 4-33-1-1(1).

(2) One (1) license for a riverboat that operates from the second largest city located in the counties described under IC 4-33-1-1(1).

(3) One (1) license for a riverboat that operates from the third largest city located in the counties described under IC 4-33-1-1(1).

(4) One (1) license for a city located in the counties described under IC 4-33-1-1(1). This license may not be issued to a city described in subdivisions (1) through (3).

(5) A total of five (5) licenses for riverboats that operate upon the Ohio River from counties described under IC 4-33-1-1(2). The commission may not issue a license to an applicant if the issuance of the license would result in more than one (1) riverboat operating from a county described in IC 4-33-1-1(2).

~~(6) One (1) license for a riverboat that operates upon Patoka Lake~~



~~from located in~~ a county described under IC 4-33-1-1(3).

(b) If a city described in subsection (a)(2) or (a)(3) conducts two (2) elections under section 20 of this chapter, and the voters of the city do not vote in favor of permitting riverboat gambling at either of those elections, the license assigned to that city under subsection (a)(2) or (a)(3) may be issued to any city that:

(1) does not already have a riverboat operating from the city; and

(2) is located in a county described in IC 4-33-1-1(1).

SECTION 9. IC 4-33-6-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 6. (a) A riverboat that operates in a county described in IC 4-33-1-1(1) or IC 4-33-1-1(2) must:

(1) have a valid certificate of inspection from the United States Coast Guard for the carrying of at least five hundred (500) passengers; and

(2) be at least one hundred fifty (150) feet in length.

(b) A riverboat that operates ~~on Patoka Lake in a county described under IC 4-33-1-1(3)~~ must:

(1) have the capacity to carry at least five hundred (500) passengers;

(2) be at least one hundred fifty (150) feet in length; and

(3) meet safety standards required by the commission.

(c) This subsection applies only to a riverboat that operates on the Ohio River. A riverboat must replicate, as nearly as possible, historic Indiana steamboat passenger vessels of the nineteenth century. However, steam propulsion or overnight lodging facilities are not required under this subsection.

SECTION 10. IC 4-33-6-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 19. (a) This section applies to:

(1) a county contiguous to the Ohio River;

~~(2) a county contiguous to Patoka Lake; and~~

~~(3)~~ (2) a county contiguous to Lake Michigan that has a population of less than four hundred thousand (400,000).

(b) Notwithstanding any other provision of this article, the commission may not issue a license under this article to allow a riverboat to operate in the county unless the voters of the county have approved the conducting of gambling games on riverboats in the county.

(c) If the docking of a riverboat in the county is approved by an ordinance adopted under section 18 of this chapter, or if at least the number of the registered voters of the county required under IC 3-8-6-3 for a petition to place a candidate on the ballot sign a petition submitted

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to the circuit court clerk requesting that a local public question concerning riverboat gaming be placed on the ballot, the county election board shall place the following question on the ballot in the county during the next general election:

"Shall licenses be issued to permit riverboat gambling in \_\_\_\_ County?"

(d) A public question under this section shall be placed on the ballot in accordance with IC 3-10-9 and must be certified in accordance with IC 3-10-9-3.

(e) The clerk of the circuit court of a county holding an election under this chapter shall certify the results determined under IC 3-12-4-9 to the commission and the department of state revenue.

(f) If a public question under this section is placed on the ballot in a county and the voters of the county do not vote in favor of permitting riverboat gambling under this article, a second public question under this section may not be held in that county for at least two (2) years. If the voters of the county vote to reject riverboat gambling a second time, a third or subsequent public question under this section may not be held in that county until the general election held during the tenth year following the year that the previous public question was placed on the ballot.

SECTION 11. IC 4-33-6-19.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 19.5. (a) This section applies to a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000).**

**(b) The commission may issue only one (1) license under this article to allow a riverboat to operate in the county within a historic preservation and development district established under IC 4-33-16.**

**(c) The commission may not issue a license under this article to allow a riverboat to operate in the county unless the voters of:**

- (1) a town having a population of more than one thousand five hundred (1,500) but less than two thousand two hundred (2,200) located in the county; and**
- (2) a town having a population of less than one thousand five hundred (1,500) located in the county;**

**have approved gambling on riverboats in the county.**

**(d) If at least the number of registered voters of the town required under IC 3-8-6-3 for a petition to place a candidate on the ballot sign a petition submitted to the clerk of the circuit court requesting that a local public question concerning riverboat**

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1 gambling be placed on the ballot, the county election board shall  
 2 place the following question on the ballot in the town described in  
 3 subsection (c) during the next primary or general election or a  
 4 special election held under this section:

5 "Shall a license be issued to allow riverboat gambling in the  
 6 town of \_\_\_\_\_?"

7 (e) A public question under this section shall be placed on the  
 8 ballot in accordance with IC 3-10-9.

9 (f) If a public question is placed on the ballot under this section  
 10 and the voters of the town do not vote in favor of allowing  
 11 riverboat gambling under IC 4-33, another public question  
 12 regarding riverboat gambling may not be held in the town for at  
 13 least two (2) years.

14 (g) In a special election held under this section:

15 (1) IC 3 applies, except as otherwise provided in this section;  
 16 and

17 (2) at least as many precinct polling places as were used in the  
 18 towns described in subsection (c) during the most recent  
 19 municipal election must be used for the special election.

20 (h) The clerk of the circuit court of a county holding an election  
 21 under this section shall certify the results determined under  
 22 IC 3-12-4-9 to the commission and the department of state revenue.

23 SECTION 12. IC 4-33-10-2.5 IS AMENDED TO READ AS  
 24 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2.5. (a) This section  
 25 applies only to property given after June 30, 1996.

26 (b) The definitions in IC 3-5-2 apply to this section to the extent  
 27 they do not conflict with the definitions in this article.

28 (c) As used in this section, "license" means:

29 (1) an owner's license issued under this article; or

30 (2) a supplier's license issued under this article to a supplier of  
 31 gaming supplies or equipment, including electronic gaming  
 32 equipment.

33 (d) As used in this section, "licensee" means a person who holds a  
 34 license.

35 (e) As used in this section, "officer" refers only to either of the  
 36 following:

37 (1) An individual listed as an officer of a corporation in the  
 38 corporation's most recent annual report.

39 (2) An individual who is a successor to an individual described in  
 40 subdivision (1).

41 (f) For purposes of this section, a person is considered to have an  
 42 interest in a licensee if the person satisfies any of the following:

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(1) The person holds at least a one percent (1%) interest in the licensee.

(2) The person is an officer of the licensee.

(3) The person is an officer of a person that holds at least a one percent (1%) interest in the licensee.

(4) The person is a political action committee of the licensee.

(g) A licensee or a person with an interest in a licensee may not give any property (as defined in IC 35-41-1-23) to a member of a precinct committee to induce the member of the precinct committee to do any act or refrain from doing any act with respect to the approval of a local public question under IC 4-33-6-19 **or IC 4-33-6-19.5.**

(h) A person who knowingly or intentionally violates this section commits a Class D felony.

SECTION 13. IC 4-33-12-6, AS AMENDED BY P.L.215-2001, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 6. (a) The department shall place in the state general fund the tax revenue collected under this chapter.

(b) Except as provided by subsection (c) and IC 6-3.1-20-7, the treasurer of state shall quarterly pay the following amounts:

(1) One dollar (\$1) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to:

(A) the city in which the riverboat is docked, if the city:

(i) is described in IC 4-33-6-1(a)(1) through IC 4-33-6-1(a)(4) or in IC 4-33-6-1(b); or

(ii) is contiguous to the Ohio River and is the largest city in the county; and

(B) the county in which the riverboat is docked, if the riverboat is not docked in a city described in clause (A).

(2) One dollar (\$1) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to the county in which the riverboat is docked. In the case of a county described in subdivision (1)(B), this one dollar (\$1) is in addition to the one dollar (\$1) received under subdivision (1)(B).

(3) Ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to the county convention and visitors bureau or promotion fund for the county in which the riverboat is docked.

(4) Fifteen cents (\$0.15) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during

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a quarter shall be paid to the state fair commission, for use in any activity that the commission is authorized to carry out under IC 15-1.5-3.

(5) Ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to the division of mental health and addiction. The division shall allocate at least twenty-five percent (25%) of the funds derived from the admissions tax to the prevention and treatment of compulsive gambling.

(6) Sixty-five cents (\$0.65) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to the Indiana horse racing commission to be distributed as follows, in amounts determined by the Indiana horse racing commission, for the promotion and operation of horse racing in Indiana:

(A) To one (1) or more breed development funds established by the Indiana horse racing commission under IC 4-31-11-10.

(B) To a racetrack that was approved by the Indiana horse racing commission under IC 4-31. The commission may make a grant under this clause only for purses, promotions, and routine operations of the racetrack. No grants shall be made for long term capital investment or construction and no grants shall be made before the racetrack becomes operational and is offering a racing schedule.

(c) With respect to tax revenue collected from a riverboat that operates on Patoka Lake, located in a county described in IC 4-33-1-1(3), the treasurer of state shall quarterly pay the following amounts:

(1) The counties described in IC 4-33-1-1(3) shall receive one dollar (\$1) of the admissions tax collected for each person embarking on the riverboat during the quarter. This amount shall be divided equally among the counties described in IC 4-33-1-1(3).

(2) The Patoka Lake development account established under IC 4-33-1-5 shall receive one dollar (\$1) of the admissions tax collected for each person embarking on the riverboat during the quarter.

(3) The resource conservation and development program that:

(A) is established under 16 U.S.C. 3451 et seq.; and

(B) serves the Patoka Lake area;

shall receive forty cents (\$0.40) of the admissions tax collected for each person embarking on the riverboat during the quarter.

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(4) The state general fund shall receive fifty cents (\$0.50) of the admissions tax collected for each person embarking on the riverboat during the quarter.

(5) The division of mental health and addiction shall receive ten cents (\$0.10) of the admissions tax collected for each person embarking on the riverboat during the quarter. The division shall allocate at least twenty-five percent (25%) of the funds derived from the admissions tax to the prevention and treatment of compulsive gambling.

(1) Forty cents (\$0.40) of the admissions tax collected by the licensed owner for each person embarking on the riverboat during the quarter shall be paid to the county.

(2) Forty cents (\$0.40) of the admissions tax collected by the licensed owner for each person embarking on the riverboat during the quarter shall be paid to a town having a population of more than one thousand five hundred (1,500) but less than two thousand two hundred (2,200) located in a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000).

(3) Forty cents (\$0.40) of the admissions tax collected by the licensed owner for each person embarking on the riverboat during the quarter shall be paid to a town having a population of less than one thousand five hundred (1,500) located in a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000).

(4) Ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person embarking on the riverboat during the quarter shall be paid to the county convention and visitors bureau or promotion fund for the county in which the riverboat is located.

(5) Fifteen cents (\$0.15) of the admissions tax collected by the licensed owner for each person embarking on the riverboat during a quarter shall be paid to the state fair commission for use in any activity that the commission is authorized to carry out under IC 15-1.5-3.

(6) Ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person embarking on the riverboat during the quarter shall be paid to the division of mental health and addiction. The division shall allocate at least twenty-five percent (25%) of the funds derived from the admissions tax to the prevention and treatment of compulsive

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1 gambling.

2 (7) Sixty-five cents (\$0.65) of the admissions tax collected by  
3 the licensed owner for each person embarking on the  
4 riverboat during the quarter shall be paid to the Indiana  
5 horse racing commission to be distributed as follows, in  
6 amounts determined by the Indiana horse racing commission,  
7 for the promotion and operation of horse racing in Indiana:

8 (A) To one (1) or more breed development funds  
9 established by the Indiana horse racing commission under  
10 IC 4-31-11-10.

11 (B) To a racetrack that was approved by the Indiana horse  
12 racing commission under IC 4-31. The commission may  
13 make a grant under this clause only for purses,  
14 promotions, and routine operations of the racetrack.  
15 Grants shall not be made for long term capital investment  
16 or construction, and grants shall not be made before the  
17 racetrack becomes operational and is offering a racing  
18 schedule.

19 (8) Twenty-five cents (\$0.25) of the admissions tax collected by  
20 the licensed owner for each person embarking on the  
21 riverboat during a quarter shall be paid to the tourism  
22 commission of a town having a population of more than one  
23 thousand five hundred (1,500) but less than two thousand two  
24 hundred (2,200) located in a county having a population of  
25 more than nineteen thousand three hundred (19,300) but less  
26 than twenty thousand (20,000).

27 (9) Twenty-five cents (\$0.25) of the admissions tax collected by  
28 the licensed owner for each person embarking on the  
29 riverboat during a quarter shall be paid to the tourism  
30 commission of a town having a population of less than one  
31 thousand five hundred (1,500) located in a county having a  
32 population of more than nineteen thousand three hundred  
33 (19,300) but less than twenty thousand (20,000).

34 (10) Thirty cents (\$0.30) of the admissions tax collected by the  
35 licensed owner for each person embarking on the riverboat  
36 during a quarter shall be paid to Historic Landmarks  
37 Foundation of Indiana, Inc.

38 (d) Money paid to a unit of local government under subsection  
39 (b)(1) through (b)(2) or subsection (c)(1) **through (c)(3):**

40 (1) must be paid to the fiscal officer of the unit and may be  
41 deposited in the unit's general fund or riverboat fund established  
42 under IC 36-1-8-9, or both;



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(2) may not be used to reduce the unit's maximum levy under IC 6-1.1-18.5, but may be used at the discretion of the unit to reduce the property tax levy of the unit for a particular year;

(3) may be used for any legal or corporate purpose of the unit, including the pledge of money to bonds, leases, or other obligations under IC 5-1-14-4; and

(4) is considered miscellaneous revenue.

(e) Money paid by the treasurer of state under subsection (b)(3) or (c)(4) shall be:

(1) deposited in:

(A) the county convention and visitor promotion fund; or

(B) the county's general fund if the county does not have a convention and visitor promotion fund; and

(2) used only for the tourism promotion, advertising, and economic development activities of the county and community.

(f) Money received by the division of mental health and addiction under subsections (b)(5) and ~~(c)(5)~~: (c)(6):

(1) is annually appropriated to the division of mental health and addiction;

(2) shall be distributed to the division of mental health and addiction at times during each state fiscal year determined by the budget agency; and

(3) shall be used by the division of mental health and addiction for programs and facilities for the prevention and treatment of addictions to drugs, alcohol, and compulsive gambling, including the creation and maintenance of a toll free telephone line to provide the public with information about these addictions. The division shall allocate at least twenty-five percent (25%) of the money received to the prevention and treatment of compulsive gambling.

SECTION 14. IC 4-33-13-5, AS AMENDED BY P.L.273-1999, SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 5. **(a) This subsection does not apply to tax revenue remitted by a licensed owner operating a riverboat in a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000).** After funds are appropriated under section 4 of this chapter, each month the treasurer of state shall distribute the tax revenue deposited in the state gaming fund under this chapter to the following:

(1) Twenty-five percent (25%) of the tax revenue remitted by each licensed owner shall be paid:

(A) to the city that is designated as the home dock of the

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riverboat from which the tax revenue was collected, in the case of a city described in IC 4-33-12-6(b)(1)(A); **or** ~~(B) in equal shares to the counties described in IC 4-33-1-1(3); in the case of a riverboat whose home dock is on Patoka Lake;~~

~~or~~ ~~(C) (B) to the county that is designated as the home dock of the riverboat from which the tax revenue was collected, in the case of a riverboat whose home dock is not in a city described in clause (A). or a county described in clause (B) and~~

(2) Seventy-five percent (75%) of the tax revenue remitted by each licensed owner shall be paid to the build Indiana fund lottery and gaming surplus account.

**(b) This subsection applies only to the tax revenue remitted by a licensed owner operating a riverboat in a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000). After funds are appropriated under section 4 of this chapter, each month the treasurer of state shall distribute the tax revenue deposited in the state gaming fund under this chapter to the following:**

**(1) Twenty-five percent (25%) of the tax revenue remitted by the licensed owner shall be paid as follows:**

**(A) Twenty-five percent (25%) of the amount described in subdivision (1) shall be paid to the county.**

**(B) Twenty-five percent (25%) of the amount described in subdivision (1) shall be paid to a town having a population of more than one thousand five hundred (1,500) but less than two thousand two hundred (2,200) located in the county.**

**(C) Twenty-five percent (25%) of the amount described in subdivision (1) shall be paid to a town having a population of less than one thousand five hundred (1,500) located in the county.**

**(D) Ten percent (10%) of the amount described in subdivision (1) shall be paid to the tourism commission of a town described in clause (B).**

**(E) Ten percent (10%) of the amount described in subdivision (1) shall be paid to the tourism commission of a town described in clause (C).**

**(F) Five percent (5%) of the amount described in subdivision (1) shall be paid to the county to be distributed as provided in subsection (c).**

**(2) Seventy-five percent (75%) of the tax revenue remitted by**

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the licensed owner shall be paid to the build Indiana fund lottery and gaming surplus account.

(c) The county treasurer of the county described in subsection (b) shall set aside the wagering tax revenue paid to the county under subsection (b)(1)(F) in a separate account. Money in the account must be used to provide grants to governmental entities other than the county and the towns described in subsection (b). The fiscal bodies of the county and the towns shall act in concert to select qualified recipients of grants from the account. The fiscal body of the county may not appropriate money from the account to make a grant under this subsection unless the fiscal bodies of the towns have adopted resolutions approving the recipient and the amount of the grant.

SECTION 15. IC 4-33-16 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

**Chapter 16. Historic Hotel Preservation and Development District**

**Sec. 1. This chapter applies to:**

- (1) a town having a population of more than one thousand five hundred (1,500) but less than two thousand two hundred (2,200); and
- (2) a town having a population of less than one thousand five hundred (1,500);

located in a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000).

**Sec. 2.** As used in this chapter, "board" refers to the board of directors of the historic hotel preservation and development district established under section 3 of this chapter.

**Sec. 3. (a)** There is established in the towns described in section 1 of this chapter a historic hotel preservation and development district.

**(b)** The district includes all territory within the towns described in section 1 of this chapter.

**Sec. 4. (a)** The district is a body corporate and politic that may sue or be sued and plead and be impleaded. The district has the powers and jurisdiction provided in this chapter.

**(b)** The exercise by the district of the district's powers is an essential governmental function of the state and the towns in which the district is located, but the district is not immune from liability.

**Sec. 5.** The district is established for the purpose of managing



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1 and supervising, in conjunction with other state authorities, the  
 2 commercial, economic, and recreational development of the  
 3 territory in which the district is formed.

4 Sec. 6. (a) The district shall be governed by a board of directors  
 5 consisting of the following five (5) members:

6 (1) A member of the legislative body of a town having a  
 7 population of more than one thousand five hundred (1,500)  
 8 but less than two thousand two hundred (2,200) located in the  
 9 county who is appointed by the legislative body of the town.

10 (2) A member of the legislative body of a town having a  
 11 population of less than one thousand five hundred (1,500)  
 12 located in the county who is appointed by the legislative body  
 13 of the town.

14 (3) The owner of a historic resort hotel located in a town  
 15 described in subdivision (1) or the owner's designee.

16 (4) The owner of a historic resort hotel located in a town  
 17 described in subdivision (2) or the owner's designee.

18 (5) A representative of the Historic Landmarks Foundation of  
 19 Indiana, Inc., appointed by the governor upon the  
 20 recommendation of the board of trustees of the foundation.

21 (b) The director appointed under subsection (a)(5) shall serve a  
 22 two (2) year term beginning July 1, 2002, and July 1 of each  
 23 even-numbered year thereafter.

24 Sec. 7. (a) The board of directors shall meet in a public place  
 25 within the towns in which the district is formed after giving notice.

26 (b) The board shall cause a detailed written record to be kept in  
 27 the form of minutes of all of the board's meetings. The board shall  
 28 meet at least four (4) times annually.

29 Sec. 8. Each member of the board is entitled to the minimum  
 30 salary per diem provided by IC 4-10-11-2.1(b). The member is also  
 31 entitled to reimbursement for travel expenses as provided under  
 32 IC 4-13-1-4 and other expenses actually incurred in connection  
 33 with the member's duties as provided in the state policies and  
 34 procedures established by the Indiana department of  
 35 administration and approved by the budget agency.

36 Sec. 9. Three (3) members constitute a quorum.

37 Sec. 10. Each year the board shall elect the following officers  
 38 from among the board's members:

39 (1) A chairperson.

40 (2) A vice chairperson.

41 (3) A treasurer.

42 Each officer shall serve a term of one (1) year beginning July 1.

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**Sec. 11. The board has and may exercise the following powers and duties:**

(1) To manage and supervise, to the extent permitted by this article, the development of riverboat gaming within the jurisdiction of the district.

(2) To assist other agencies of state and local government having jurisdiction over the territory within the district.

(3) To enter into contracts in furtherance of the district's purposes including, without limitation, the construction, maintenance, and operation of a riverboat under this article.

(4) To employ a professional staff to assist the board in carrying out its duties and to engage consultants, attorneys, accountants, and other professional personnel who are necessary to carry out the duties of the board.

(5) To prepare a budget annually, and to appropriate funds for the discharge of the district's purposes and duties.

(6) To acquire and dispose of real or personal property by grant, gift, purchase, lease, devise, or otherwise.

(7) To hold, use, improve, maintain, operate, own, manage, or lease (as lessor or lessee) real or personal property, or any interest in that property.

(8) To sue and be sued.

(9) To make grants for the following:

(A) The preservation, restoration, maintenance, operation, and development of the historic resort hotels located in the towns described in section 4 of this chapter.

(B) The promotion of the historic, scenic, aesthetically pleasing, cultural, educational, and recreational nature of the community in which the historic resort hotels are located.

(10) Any other power necessary or incidental to the operation and management of a riverboat.

(11) Any other power necessary or incidental to the preservation, restoration, maintenance, operation, and development of the historic resort hotels located in the towns described in section 4 of this chapter and the surrounding community.

**Sec. 12. The district shall do the following:**

(1) Own the gaming license described in IC 4-33-6-1(a)(6).

(2) Purchase the real estate upon which a riverboat having the license described in IC 4-33-6-1(a)(6) may be constructed.

(3) Develop a request for proposals for persons interested in

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operating a riverboat under IC 4-33 on the real estate owned by the commission.

(4) Collect and remit the riverboat admissions tax and the riverboat wagering tax.

(5) Promote the preservation, restoration, maintenance, operation, and development of the historical nature and legacy of:

(A) the historic resort hotels located in the towns described in section 1 of this chapter; and

(B) the surrounding community.

(6) Promote the historic preservation, restoration, maintenance, operation, and development of the historic resort hotels located in the towns described in section 1 of this chapter.

(7) Cooperate in the development of a comprehensive tourism and development strategy designed to enhance occupancy rates and overnight stays at the historic resort hotel located in a town described in section 1(1) of this chapter.

(8) Promote the development of the historic, scenic, aesthetically pleasing, cultural, educational, and recreational nature of the community in which the historic resort hotels are located.

(9) Cooperate with the department of transportation to improve highway access and rail routes to the towns described in section 1 of this chapter.

(10) Cooperate with local boards of aviation commissioners to enhance and improve airport facilities in and air transportation to the towns described in section 1 of this chapter.

(11) Appoint a historic preservation advisory committee consisting of at least five (5) individuals nominated by the Historic Landmarks Foundation of Indiana, Inc.

**Sec. 13.** The title to real property donated, given, devised, or bequeathed to the district or purchased by the district must be:

(1) good and sufficient;

(2) approved by the attorney general; and

(3) taken in the name of the district.

**Sec. 14.** Money acquired by the district:

(1) is subject to the laws concerning the deposit and safekeeping of public money; and

(2) must be deposited under the advisory supervision of the state board of finance in the same way and manner, at the

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1 same rate of interest, and under the same restrictions as other  
2 state money.

3 **Sec. 15.** The money of the district and the accounts of each  
4 officer, employee, or other person entrusted by law with the  
5 raising, disposition, or expenditure of the money or part of the  
6 money are subject to the following:

7 (1) Examination by the state board of accounts.

8 (2) The same penalties and the same provision for publicity  
9 that are provided by law for state money and state officers.

10 **Sec. 16.** Proceeds from the acquisition or disposition of real or  
11 personal property by the district under the district's powers under  
12 section 11(6) or 11(7) of this chapter must be divided equally  
13 between the trust funds established under IC 4-33-17 and  
14 IC 4-33-18.

15 SECTION 16. IC 4-33-17 IS ADDED TO THE INDIANA CODE  
16 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
17 JULY 1, 2002]:

18 **Chapter 17. French Lick Historic Resort Hotel Trust Fund**

19 **Sec. 1.** As used in this chapter, "board" refers to the board of  
20 directors of the historic hotel preservation and development  
21 district established under IC 4-33-16.

22 **Sec. 2.** As used in this chapter, "fund" refers to the French Lick  
23 historic resort hotel trust fund established by section 3 of this  
24 chapter.

25 **Sec. 3. (a)** The French Lick historic resort hotel trust fund is  
26 established.

27 (b) The fund consists of the following:

28 (1) Money disbursed from the board.

29 (2) Donations.

30 (3) Interest and dividends on assets of the fund.

31 (4) Money transferred to the fund from other funds.

32 (5) Money from any other source.

33 **Sec. 4. (a)** The board shall manage and develop the fund and the  
34 assets of the fund.

35 (b) The board shall do the following:

36 (1) Establish a policy for the investment of the fund's assets.

37 (2) Perform other tasks consistent with prudent management  
38 and development of the fund.

39 **Sec. 5. (a)** Subject to the investment policy of the board, the  
40 treasurer of state shall administer the fund and invest the money  
41 in the fund.

42 (b) The expenses of administering the fund and implementing

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1 this chapter shall be paid from the fund.

2 (c) The treasurer of state shall invest the money in the fund not  
3 currently needed to meet the obligations of the fund in the same  
4 manner as other public funds are invested. Interest that accrues  
5 from these investments shall be deposited in the fund.

6 (d) Money in the fund at the end of a state fiscal year does not  
7 revert to the state general fund.

8 Sec. 6. The board has the sole authority to allocate money from  
9 the fund for the purpose of the preservation, restoration,  
10 maintenance, operation, and development of the French Lick  
11 historic resort hotel. The board shall allocate money from the fund  
12 upon the request of the French Lick historic resort hotel for the  
13 purposes set forth in this section.

14 Sec. 7. The board shall prepare an annual report concerning the  
15 fund and submit the report to the legislative council before  
16 October 1 of each year. The report is a public record.

17 SECTION 17. IC 4-33-18 IS ADDED TO THE INDIANA CODE  
18 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
19 JULY 1, 2002]:

20 **Chapter 18. West Baden Springs Historic Resort Hotel Trust**  
21 **Fund**

22 Sec. 1. As used in this chapter, "board" refers to the board of  
23 directors of the historic hotel preservation and development  
24 district established under IC 4-33-16.

25 Sec. 2. As used in this chapter, "fund" refers to the West Baden  
26 Springs historic resort hotel trust fund established by section 3 of  
27 this chapter.

28 Sec. 3. (a) The West Baden Springs historic resort hotel trust  
29 fund is established.

30 (b) The fund consists of the following:

- 31 (1) Money disbursed from the board.
- 32 (2) Donations.
- 33 (3) Interest and dividends on assets of the fund.
- 34 (4) Money transferred to the fund from other funds.
- 35 (5) Money from any other source.

36 Sec. 4. (a) The board shall manage and develop the fund and the  
37 assets of the fund.

38 (b) The board shall do the following:

- 39 (1) Establish a policy for the investment of the fund's assets.
- 40 (2) Perform other tasks consistent with prudent management  
41 and development of the fund.

42 Sec. 5. (a) Subject to the investment policy of the board, the

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1 treasurer of state shall administer the fund and invest the money  
2 in the fund.

3 (b) The expenses of administering the fund and implementing  
4 this chapter shall be paid from the fund.

5 (c) The treasurer of state shall invest the money in the fund not  
6 currently needed to meet the obligations of the fund in the same  
7 manner as other public funds are invested. Interest that accrues  
8 from these investments shall be deposited in the fund.

9 (d) Money in the fund at the end of a state fiscal year does not  
10 revert to the state general fund.

11 Sec. 6. The board has the sole authority to allocate money from  
12 the fund for the purpose of the preservation, restoration,  
13 maintenance, operation, and development of the West Baden  
14 Springs historic resort hotel. The board shall allocate money from  
15 the fund upon the request of the West Baden Springs historic  
16 resort hotel for the purposes set forth in this section.

17 Sec. 7. The board shall prepare an annual report concerning the  
18 fund and submit the report to the legislative council before  
19 October 1 of each year. The report is a public record.

20 SECTION 18. IC 4-33-19 IS ADDED TO THE INDIANA CODE  
21 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
22 JULY 1, 2002]:

23 **Chapter 19. Gambling Operations in a Certain County**

24 Sec. 1. This chapter applies only to a county described in  
25 IC 4-33-1-1(3).

26 Sec. 2. As used in this chapter, "board" refers to the board of  
27 directors of the historic hotel preservation and development  
28 district established under IC 4-33-16.

29 Sec. 3. As used in this chapter, "district" refers to the historic  
30 hotel preservation and development district established under  
31 IC 4-33-16.

32 Sec. 4. As used in this chapter, "operating expenses" means the  
33 following:

34 (1) Money spent by the board in the exercise of the board's  
35 powers under IC 4-33-16 as limited by section 5 of this  
36 chapter.

37 (2) Money spent to operate the riverboat.

38 (3) Management fees paid to the riverboat operator.

39 Sec. 5. The amount of money that the board may spend each  
40 year in the exercise of the board's powers under IC 4-33-16 may  
41 not exceed an amount equal to:

42 (1) twenty-five cents (\$0.25); multiplied by

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(2) the number of patrons that embark on the riverboat owned by the development commission for a gambling excursion during the year.

Sec. 6. A riverboat authorized under this article for a county described in IC 4-33-1-1(3) must be located on real property owned by the district.

Sec. 7. The board may apply to the commission for a license to operate a riverboat under this chapter on real property owned by the district.

Sec. 8. The board shall contract with another person to operate a riverboat located in the county.

Sec. 9. The net income derived from the riverboat after the payment of all operating expenses shall be equally divided between the French Lick historic resort hotel trust fund established under IC 4-33-17 and the West Baden Springs historic resort hotel trust fund established under IC 4-33-18.

Sec. 10. (a) A gambling game offered at a riverboat owned by the district must be:

(1) played on operational reproductions of historic gaming equipment; or

(2) played with reproductions of historic playing cards, dice, tickets, punchboards, or other wagering devices.

(b) The board may not install gaming equipment under this section unless the gaming equipment is approved by the commission.

(c) The commission shall adopt rules under IC 4-22-2 to establish criteria for the approval of gaming equipment and wagering devices under this chapter.

SECTION 19. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2002]: IC 4-33-4-19; IC 4-33-15.

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